

SENATE BILL 1975

By Kyle

AN ACT to amend Tennessee Code Annotated, Title 4;
Title 67 and Title 71, to establish the Tennessee
sales tax on food refund program.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. There is established the Tennessee Sales Tax on Food Refund Program to be administered by the Department of Human Services. The purpose of the program is to provide sales tax refunds on food purchased by Tennessee families for whom the sales tax on food is most likely to create an undue burden.

SECTION 2. To be eligible for the sales tax on food refund program, a person shall:

- (1) Be a Tennessee resident;
- (2) Be the head of the household and certify the number of persons in the household; and,
- (3) Meet the appropriate eligibility criteria.

SECTION 3. The department may consider the following in determining the sales tax on food paid or refund awarded under this program:

- (1) The thrifty food plan as determined annually by the United States Department of Agriculture or such other typical food plan as may be determined by the department;
- (2) The number of individuals in the household; and,
- (3) The amount of food purchased by a household with food stamps that is not subject to sales tax.

SECTION 4. The department of revenue shall assist the department of human services as necessary in developing and implementing the Tennessee Sales Tax on Food Refund Program authorized by this act.

SECTION 5. The department of human services shall promulgate rules and regulations pursuant to the Uniform Administrative Procedures Act. The rules shall establish, at a minimum:

- (1) Eligibility criteria;
- (2) Refund amounts or levels and the form of refunds;
- (3) Payment provisions, including permitted uses of refunds;
- (4) Household reporting requirements; and
- (5) Recoveries.

SECTION 6. Notwithstanding any provision of the law to the contrary, all records obtained pursuant to the administration of the Sales Tax on Food Refund Program are confidential and shall not be open to public inspection.

SECTION 7. Sales tax refunds authorized by this Act shall be made by electronic debit card or such other method as may be determined by the department.

SECTION 8. The department of human services shall prepare and submit an annual report on the operations of the Tennessee Sales Tax on Food Refund Program to the governor and the general assembly.

SECTION 9. The program established in this act is not, nor is it intended to create, an entitlement and is subject to specific annual appropriations therefore.

SECTION 10. This act shall take effect upon becoming law, the public welfare requiring it.